(b) the major objectives behind making these changes; and

(c) how far Government have been able to achieve these objectives?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) New Industrial Policy has been announced by the Government on 24th July, 1991. The major policy changes made in pursuance of New Industrial Policy, 1991 during the last 4 years, inter-alia, includes:

(i) Abolition of industrial licensing for all industries except a short list of 16 industries.

(ii) Pruning in the number of items reserved for public sector to 6.

(iii) According of Automatic approval for Direct Foreign Investment up to 51% foreign equity and technology agreements in high priority industries by Reserve Bank of India.

(iv) Abolition of pre-entry scrutiny of investment decisions under Monopolies and Restrictive Trade Practices, Act.

(b) Main objectives of these major policy changes are to build on the gains already made, maintain a sustained growth in productivity and gainful employment, ensure optimal utilisation of human resources and attain international competitiveness.

(c) The New Industrial Policy Resulted in an increase in the rate of industrial growth, Increase in exports and foreign exchange reserves, increase in investment intentions and foreign investment approvals and increase in employment potential.

Growth rate of manufacturing sector

6446. DR. B.B. DUTTA: Will the PRIME MINISTER be pleased to state: (a) the growth rate of manufacturing sector vis-a-vis industrial sector during the last five years;

(b) the reasons for lower growth rate in the manufacturing sector; and

(c) the steps taken by Government to accelerate the growth rate of this sector?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) The overall industrial growth and the grwoth rate of manufacturing sector during last five years has been as under:

Rate of Growth of Ind. Prod.

Year	Manufacturing	Overall
1990-91	8.9%	8.3%
1991-92	-0.8%	0.6%
1992-93	2.2%	2.3%
1993-94	4.5%	4.7%
1994-95 (Apr.-Dec)	8.5%	8.3%

(b) and (c): Manufacturing sector has more or less followed the same trend as overall industrial production. The broad based industrial recovery already underway is the result of the cumulative success of industrial, trade, fiscal and capital market reforms. The new policy initiatives have stabilised the economy and improved confidence of the entrepreneurs. The industrial sector has further benefitted from imposition of the countervailing duties and extension of MODVAT.

Industrial backwardness of North-Eastern Region

6447. DR. B.B. DUTTA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that North-Eastern Region is an industrially backward region;

(b) if so, the factors responsible for the backwardness;

(c) the details of steps taken to promote industrial development in that region; and

(d) the achievements made so far?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a): Yes, Sir.

(b) The backwardness of North Eastern Region is attributed mainly to locational disadvantage arising out of remoteness and topographical inaccessibility, among other factors.

(c) and (d): Industrialisation of an area is primarily the responsibility of the State Government concerned. The Central Government supplements the efforts of the State Governments to the extent possible. However, with a view to promoting industrialisation of backward areas Government is operating a Growth Centre scheme. Under the Scheme, 9 centres have been allotted to the North Eastern Region. These centres would be endowed with basic infrastructural facilites like Power, Water, Telecommunication, Banking, etc. enabling them to attract industries to them.

Besides this, Government of India has constituted a Group on Industrial Development of North Eastern Region. The group felt that there is a need for a new institutional framework especially devoted to a region which can undertake techno economic appraisals, identify the projects and the kind of infrastructure that is suited to the region. In the Budget for 1995-96 North Eastern Development Bank (NEDB) has already been proposed for the North Eastern Region. It is expected that this new institution would be able to identify projects and provide the kind of infrastructure that is required.

The extension of the validity of the Transport Subsidy Scheme is also under consideration of the Central Government.

Increase in Industrial Production In

6448. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:
SHRI SATCHIDANANDA:
SHRIMATI VEENA VERMA:

Will the PRIME MINISTER be pleased to state:

(a) whether quick estimates of Industrial Production Index showed an increase by 12.9% during November, 1994 against that in November, 1993; and

(b) what was the percentage increase in Industrial Production Index during each of the months since November 1994, both overall and sector-wise?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) (a) Yes, Sir. However, as per the quick estimates of Index of Industrial Production released for the month of December the revised overall industrial growth in November, 1994 was 8.5%, primarily because of upward revision of the figures for November 1993.

(b) The percentage increase in the industrial production index during Nov-Dec, 1994 as compared to Nov-Dec, 1993 respectively according to the broad sector has been as under:

Sectors	Rate of Growth (%)	
	Nov.	Dec.
Mining	9.4	11.5
Manufacturing	8.3	8.3
Electricity	8.7	13.6
Overall	8.5	9.5

Studies on impact of reforms on SSI

6449. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:
SHRI SATCHIDANANDA:
SHRIMATI VEENA VERMA:

Will the PRIME MINISTER be pleased to state: